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The Effect of Globalization on Voter Turnout

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Report

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For my parents

Abstract

The Effect of Globalization on Voter Turnout

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The University of Texas at Austin, 2016

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Despite significant efforts to understand the recent decline of voter turnout in democratic societies, the empirical explanations behind this development as well as regarding the overall cross-national variation in turnout rates remain rather limited. I contribute to this discourse by examining the effects of globalization on electoral turnout. More specifically, I seek to amend the argument raised by Hellwig who claims that economic globalization dissuades voters from voting on the matters related to economic policy and, at the same time, encourages them to put more weight on non-economic issue evaluations. I strive towards the modification of this argument by broadening the concept of globalization to include not only its economic aspects, such as trade and financial investments, but rather the overall spectrum of international effects on domestic policy provision, including the matters of politics, society and markets. Contrary to Hellwig, I posit a negative relationship between globalization and turnout in general and I test my hypothesis on an aggregate-level dataset covering parliamentary elections in 25 OECD democracies from 1970 to 2006. The empirical results show that only economic globalization exhibits a consistently significant effect on voter turnout while the influence of political and social types of international forces are found to be statistically inconsequential. While I find no empirical support for my argument, my analysis uncovers more comprehensively the mechanism of how economic globalization decreases turnout by looking at international pressures across a variety of issue areas, both economic and non-economic ones, thus comparing their individual effects.

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Introduction

Despite significant efforts to understand the recent decline of voter turnout in democratic societies¹, the empirical explanations behind this development as well as regarding the overall cross-national variation in turnout rates remain rather limited. In this paper, I contribute to this discourse by examining the effects of globalization on electoral turnout. More specifically, I seek to amend the argument raised by Hellwig who claims that economic globalization dissuades voters from voting on the matters related to economic policy and, at the same time, encourages them to put more weight on non-economic issue evaluations. Namely, Hellwig argues that voters perceive domestic policy makers to be constrained by the global economy in the areas of economic policy-making but not in other areas such as the environment and minority rights, which is why electoral civic engagement decreases in the former and increases in the latter.² I strive towards the modification of this argument by broadening the concept of globalization to include not only its economic aspects, such as trade and financial investments, but rather the overall spectrum of international effects on domestic policy provision, including the matters of politics, society and markets. The more the public perceives its country's domestic politics to be exposed to global influences, the less it will be motivated to voice its choice at the polls. Contrary to Hellwig, I therefore posit a negative relationship between globalization and turnout in general and I test my hypothesis on an aggregate-level dataset covering parliamentary elections in 25 OECD democracies from 1970 to 2006.

¹ Franklin, 2004

² Hellwig, 2008, pp. 1128-1130

Examining the consequences of globalization on mass political behavior and attitude is important for understanding the benefit of voting. If globalization diminishes the capacity of national policy makers to influence relevant outcomes, voters may be prompted to conclude that the benefits of voting are too low to compensate for the costs of turning up at the polls, which may have long-term detrimental consequences for the institution of elections. More specifically, my study advances scholarship on globalization and its effects on turnout on the theoretical grounds by re-conceptualizing it to include the effects of global influences beyond market integration.

The remainder of this paper is organized as follows. I first review the recent work on the consequences of economic globalization on policy-making and voting turnout, arguing that such an approach is insufficient and in need of theoretical advancements. I then present my theoretical model. The subsequent two sections describe the data and variables used, and the results of the empirical analysis. The final section concludes.

Review of the Existing Literature

In a broader spectrum of things, the discussion about the influence of globalization on voting behavior has developed within the previously existing debate on whether the integration of national markets for capital and labor affects policy outcomes. The debate has led to the establishment of two broad perspectives: convergence and divergence schools of thought. Proponents of the convergence argument contend that in today's highly integrated world, states must compete to attract capital, which often implies the introduction of such uniform strategies as cuts in spending, lower taxes for international investors and a general weakening of the state's redistributive capacity.³ This perspective predicts a pessimistic race to the bottom in rates on mobile capital and welfare provisions. For example, Hays argues that while we are likely never to observe "bottom" capital tax rates since they do not converge to zero, he does demonstrate that the capital tax rates would have been higher if there was no tax competition for foreign investment among national governments.⁴ On the other hand, the supporters of the divergence point of view argue that economic integration results in public economic uncertainty, thus leading to political demands for more social protection. This perspective predicts that economic globalization will actually result in more, not less, welfare provisions.⁵ For example, Garrett even goes so far as to assert that there is a "virtuous circle between activist government and international openness," implying that

³ Hellwig and Samuels, 2007, p. 285; see also Mosley, 2000, p. 738-741

⁴ Hays, 2003, p. 95-110

⁵ Hellwig and Samules, 2007, p. 285-286; see also Mosley, 2000, p. 738-741

despite economic integration, such long-standing forces as history and institutions enable state leaders to preserve significant independence in domestic policy-making.⁶

The literature on economic integration and national policies cannot explain how globalization affects voter perceptions of policy responsiveness and, in turn, vote outcomes. For this we should look within the discourse of economic voting. This type of voting behavior implies that citizens decide on whom to vote for based on economic outcomes or, more specifically, their perceptions of economic outcomes.⁷ Utilizing the logic of economic voting, Hellwig argues that voters who perceive their political leaders to be highly constrained by economic globalization will expect less policy responsiveness in the areas of economic decision-making when deciding on whom to give their vote. At the same time, and as a way of compensating for this deficiency in policy provision, the voters will place more weight on non-economic performance (e.g. in the areas of the environmental, minority rights and cultural diversity policy-making).⁸ Similarly to Hellwig, Fernandez-Albertos examines the link between economic openness and economic voting, arguing that the more open a country is the less pronounced economic voting will be among the electorate. Put differently, this author argues that sophisticated voters tend to be more forgiving towards their incumbents' poor economic performance in situations of high international exposure.⁹

Unlike Hellwig and Fernandez-Albertos whose research focuses on addressing the question of whom voters will support at the polls, Steiner examines the effects of economic globalization on voters' decision of whether or not to show up at the polls at all. Much like

⁶ Garrett, 1998, p. 789, cited in Hellwig and Samuels, 2007, p. 286-287

⁷ Duch and Stevenson, 2008, p. 16-17

⁸ Hellwig, 2008, p. 1128

⁹ Fernández-Albertos, Jose, 2006, p. 30-33

this paper, the same author argues that voters are less inclined to vote in more open economies. Conceptually speaking, however, Steiner's point of departure is still similar to that of the previous two authors because they all focus exclusively on economic globalization.

While it can be argued that Steiner's line of reasoning is more parsimonious than mine since it predicts the same outcome with a more narrowly defined independent variable, I believe that my study has the potential to uncover more fully the mechanism of how globalization decreases turnout due to my focus on the broader effects of global influences. Additionally, Steiner does not address the argument of compensation theorized by Hellwig. Instead, he simply reorients his attention to an alternative dependent variable (that of whether to vote or not rather than whom to vote for, as Hellwig does), failing to address the point as to why voters do not expect more state policy responsiveness in non-economic matters before they decide not to show up at the polls. For Steiner's argument to hold, it has to be assumed that policy convergence and thus a decrease in policy provision does not occur in other (i.e. non-economic) areas of interest. As this paper will show, this assumption is unlikely since globalization does not only affect economy but also other spheres of domestic policy-making. I fill up this gap in Steiner's reasoning by re-defining the concept of globalization to include a broader spectrum of international effects on domestic policy provision, and in doing so answer why the compensatory argument is unrealistic.

Theoretical Argument

The Concept of Globalization

Before laying out the theoretical framework, it is important to explain the meaning of globalization as comprehended for the purposes of this paper. Since I diverge from the conventional understanding of this term, namely that of strictly economic exchange-led integration, in order to capture more constructively the causal mechanism driving the dynamic forces of globalization – I find it necessary to define this concept in more detail. Broadly speaking, globalization is understood as a process that erodes national sovereignty through a variety of forces including regulations, people, capital, information and ideas.¹⁰ This definition is embedded in the above mentioned convergence school of thought. More specifically, the process of globalization consists of three distinct developments, which I refer to as political and legal obligations, competitive pressures and transnational communication.¹¹

The political and legal obligations mechanism occurs whenever an external political actor, often an international or a supranational institution, imposes certain policy changes over a domestic government. An example would be the spread of Western monetary policies to Third World countries by the means of conditionalities in exchange for loans given by the World Bank or the International Monetary Fund.¹² The process, however, does not have to be coercive in nature. Sometimes a policy imposed on a country by an international institution may be in the interest of the national government in a way that it may enable it to

¹⁰ Norris, 2000, p. 155

¹¹ Holzinger and Knill, 2005, p. 783

¹² Dolowitz and Marsh, 1996, p. 347-348

introduce a policy that is not favored by its citizens.¹³ For example, when the OECD and the Council of Europe initially developed international agreements whose purpose was to regulate and protect transnational flow of data, the elite policy communities in Britain were generally in support of this idea while the wider public opposed it. What ultimately enabled the British technocrats to bring their domestic law into conformity was the international treaty which they used to convince the wider society that not complying meant risking being excluded from the “club” and the overall benefits of harmonization.¹⁴ The political and legal treaties can therefore be both coercive and voluntary in character.

The mechanism pertaining to competitive pressures presupposes economic integration among countries. The international mobility of capital and workers imposes pressure on domestic governments to restructure their market regulations in order to avoid falling behind their neighboring countries that have already implemented such reforms.¹⁵ The pressure often arises from threats of foreign investors to shift their activities elsewhere if, for example, the costs of production are not harmonized with lower-cost countries.¹⁶ This induces governments to lower their regulatory standards and other barriers that can be detrimental to economic exchange. What is implied is that national governments out of the desire to become more regionally or internationally competitive transfer some of their power from the state to global private actors.

¹³ Holzinger and Knill, 2005, p. 781

¹⁴ Bennett, 1991, p. 228

¹⁵ Holzinger and Knill, 2005, p. 782

¹⁶ Hoberg, 2001, p. 127

With respect to transnational communication, this mechanism presupposes information exchange and communication with other countries.¹⁷ In this case, the medium of international influence is ideas. New ideas are generally adopted as a means to solve policy problems and this entails the process of lesson-drawing. Consistent with the concept of Bayesian learning, governments are likely to follow the lead of those countries whose policies have proven successful.¹⁸ The exchange of information and ideas is improved if countries' state officials are able to socialize at frequent meetings. In fact, some international institutions such as the OECD have been established in part to facilitate the exchange of ideas.¹⁹ This has been partially demonstrated by the above example of the OECD and the Council of Europe under the political and legal obligations mechanism. Furthermore, ideas can also be transmitted via communication networks consisting of private actors. For example, business owners may share ideas about appropriate economic practices by referencing the experiences of the countries with which they have important trading contacts.²⁰

What all of the above mechanisms have in common is that they erode national boundaries, which in one way or another, diminishes the capacity of domestic governments to control policy outcomes.

¹⁷ Holzinger and Knill, 2005, p. 782-783

¹⁸ Simmons and Elkins, 2004, p. 175

¹⁹ Bennett, 1991, p. 220-223

²⁰ Simmons and Elkins, 2004, p. 175

Theoretical Setup

My theoretical argument builds on the above-stated notion that globalization reduces the ability of national governments to influence policy results. This is also a core idea of the literature on economic globalization. The detrimental consequences of globalization as understood in this paper on domestic policy-making should be even stronger considering its multifaceted nature and thus effects. Instead of focusing on the impact of economic integration on domestic policy provision, I take into consideration a more comprehensive set of international influences, including the political/legal and idea-driven pressures, in addition to standard economic forces. As illustrated in the first half of this section, I find this definition of globalization to be more convincing and empirically relevant. This reconceptualization then enables me to focus on the question that Hellwig and the rest of the supporters of the economic voting model seemingly neglect, namely whether voters will find it useful to vote at all. This question theoretically precedes the focus on the analysis of how voting decisions are made. Before examining the question of *whom voters will vote for*, we need to ask *whether they will want to vote at all*. By delineating the consequences of globalization to include only economic effects, Hellwig is able to make an argument about compensation between economic and non-economic issues. The possibility of compensation disappears if we extend the meaning of globalization to include other non-economic areas of regulatory decision-making, a shift that this paper finds empirically necessary, as suggested above. Therefore, much like Hellwig, I make an assumption that individuals are aware of the fact that their national policy makers' decisions are influenced by global forces. However, in this paper, awareness encompasses both economic and non-economic spheres of policy-

making. Under such conditions, I examine the effects of globalization on voter turnout and I resort to the classical rational choice model to represent it formally:

$$R_i = P_i(Bd_i - Bnd_i) + D_i - C_i^{21}$$

In this model, an individual i will vote if his/her utility from voting R_i is greater than zero. The voter's utility is calculated based on the probability P_i that his/her vote will make a difference, the difference between the desired (Bd_i) and non-desired election outcome (Bnd_i), and a term D_i which stands for intrinsic benefits of voting.²² The last term C_i represents the cost of voting.

The manner in which globalization affects this equation is primarily through a decrease in the value of term $Bd_i - Bnd_i$. In globalized societies where national governments' ability to deliver policies is weakened, the Bnd_i term is likely to be higher than in non-globalized countries where governments have more freedom to deliberate on matters of domestic politics. This is because the national leaders of highly globalized countries have to follow a set of policies dictated by international forces, even if such decisions may contradict domestic interests. Thus, regardless of the voter's preferred party's desire to deliver on his/her preferences, the party's intentions will be hampered by the international pressures. Informed individuals are cognizant of this development, and as such turn

²¹ Steiner (2010, p. 447) applies a similar model in his article with respect to the effects of economic globalization on voter turnout; however, he fails to provide a convincing argument as to how economic globalization affects the voters' perceptions vis-à-vis non-economic spheres of life.

²² Muller and Opp (1986, p. 474) provide multiple possibilities to think of this term and find two of them significant, namely the social reward of experiencing solidarity and the reward of behaving in accordance with a sense of citizen duty.

indifferent with regard to the election outcome. The sense of indifference makes them less likely to vote. From this I deduce my hypothesis:

H: The more globalized a country is, the lower the turnout rates at national elections will be.

Research Design

To test my hypothesis, I use an OLS analysis with the cross sectional/time-series data from parliamentary elections in 25 OECD countries²³ in the period from 1970 to 2006. I focus on developed democracies because the previous research on which I build has also concentrated on this group of countries, which is helpful for comparative purposes. Additionally, relying on a relatively homogenous sample of countries enables me to keep the many contextual factors constant, which further strengthens a pooling assumption I implicitly make throughout my paper. Finally, an advantage of this sample is also the solid availability of data.

Due to the nature of my sample, namely the diverging trend of voter turnout and globalization over the same period of time, I include time fixed effects in the form of dummies for every five-year period. This technique provides an assurance that the observed relationship between the dependent and independent variables is causal in character rather than merely spurious.

Dependent Variable

I operationalize my dependent variable, voter turnout, as the ratio of votes cast to voting age population (VAP). I also considered an alternative measure, the ratio of votes cast to the number of officially registered eligible voters, but decided against it because of the

²³ In alphabetical order, these include: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Iceland, Ireland, Israel, Italy, Japan, Luxembourg, Malta, the Netherlands, New Zealand, Norway, Portugal, Spain, Sweden, Switzerland, the United Kingdom and the United States.

potential problems with endogeneity in those cases where voting is voluntary.²⁴ I obtain the data from the International Institute for Democracy and Electoral Assistance (IDEA).²⁵ I concentrate on parliamentary elections in 25 OECD countries, and within this sample I specifically examine only the elections to the unicameral legislature and in the event of a bicameral arrangement, only those to the lower house of the legislature.

Independent Variable

As previously stated, I define my independent variable, globalization, as a process that impinges on national sovereignty through a variety of flows including regulations, people, capital, information and ideas.²⁶ I operationalize it as a composite index from the KOF²⁷ Index of Globalization.²⁸ This measure is produced by the KOF Swiss Economic Institute hosted at the ETH Zurich University²⁹ and it combines three dimensions of globalization: political, economic and social. Such a multifaceted measure captures well my conceptualization of this variable.

The political dimension of globalization is measured according to the number of foreign embassies in a given country, international organizations which the country has joined, UN peace missions in which the country was involved and bilateral and multilateral

²⁴ Steiner, 2010, p. 449

²⁵ I utilize the dataset created by Steiner who collected the data from International IDEA: Voter turnout (available online at: <http://www.idea.int/vt/>)

²⁶ Norris, 2000, p. 155

²⁷ KOF is an acronym for the German word “Konjunkturforschungsstelle”, which means “business cycle research institute”

²⁸ Dreher et al, 2008

²⁹ www.globalization.kof.ethz.ch/

agreements the country has concluded since 1945.³⁰ I find this variable to be suitable for depicting the political and legal obligations component of the globalization process. Based on my definition of globalization, it might be more appropriate to focus only on two of the four elements constituting this measure, namely the number of memberships in international organizations and the number of international treaties a country has signed. However, no separate data is available for these two factors and I am constrained to using the measure incorporating all of the proxies instead. Nevertheless, it seems reasonable to speculate that an increase in all four of the elements (i.e. number of embassies, international organization memberships, UN peace missions, and international treaties) is likely to have a negative effect on voter turnout.

The economic dimension of globalization measures cross-border trade, FDI/portfolio investments and income flows in relation to GDP, as well as the impact of restrictions on trade and capital movement.³¹ This measure encompasses well the process behind the competitive pressures mechanism described above. The measures of openness (i.e. trade, investments and income flows) assess the international mobility of a given country's capital and workers, while the measures of restrictions appraise the impact of a country's import tariff and tax rates. The distinction between these two measures is significant and produces

³⁰ According to the KOF Swiss Economic Institute, these data are taken from the Europa World Yearbook (various years), the CIA World Factbook (various years), the UN Department of Peacekeeping Operations, and the United Nations Treaties Collection. See KOF Index of Globalization, Method of Calculation, available online at: http://globalization.kof.ethz.ch/media/filer_public/2015/03/04/method_2015.pdf; see also the Variables and Weights document, available online at:

http://globalization.kof.ethz.ch/media/filer_public/2015/03/04/variables_2015.pdf

³¹ KOF Swiss Economic Institute, KOF Index of Globalization, Method of Calculation, available online at: http://globalization.kof.ethz.ch/media/filer_public/2015/03/04/method_2015.pdf; see also the Variables and Weights document, available online at:

http://globalization.kof.ethz.ch/media/filer_public/2015/03/04/variables_2015.pdf

more realistic results. For example, a country can place high vis-à-vis its status of openness (this is typical for small, economically open and export-oriented countries), but it can place much lower with respect to the impact of its tariff restrictions. This is the case of Switzerland, which places high on openness and significantly lower on the scale denoting the consequences of its import tariff duties.³² The combination of both of these measures produces a more realistic final measure. This is particularly relevant to how this paper defines the mechanism of competitive pressures. Focusing exclusively on the measures of openness (as is often the case) to gauge economic integration would not be applicable for my conceptualization of this component of globalization because such a calculation would not take directly into consideration the effect of international pressures for regulatory reforms. It is the restrictions side of the measure that captures this process. Thus, the more tariffs a country has, the more resilient it is to international demands for policy reform and harmonization. The impact of restrictions will be reduced the more economically open a country is. Taking only one of these measures into account would be inappropriate because economic globalization is after all a combination of exports and imports and while these two measures do not always coincide (as shown above), they are significantly related to each other. In conclusion, the greater the overall measure, the more likely we are to observe a decrease in voter turnout.

The social dimension of globalization consists of three different categories. The first comprises personal cross-border contacts such as telephone calls, letters, tourism flows and the size of the foreign population. The second category includes cross-border flows of

³² KOF Swiss Economic Institute, KOF Index of Globalization 2014, Press Release, available online at: http://globalization.kof.ethz.ch/media/filer_public/2014/04/16/press_release_2014_en.pdf

information, which are measured in terms of access to the Internet, TV and foreign press products. The last category assesses cultural proximity to the global mainstream by looking at a given country's number of McDonald's restaurants and Ikea branches as well as book exports and imports in relation to GDP.³³ I use this measure to quantify the transnational communication mechanism. As in the case of political globalization, I find some elements of this measure to be more related to my conceptualization of this dimension of globalization than others. For example, I believe that the assessments of information flow and cultural proximity capture more convincingly the notion of lesson-drawing than the measure representing personal contacts. The greater the usage of the Internet, the more likely the learning and emulation processes are to take place. This is also the case with respect to TV and newspaper exposure as well as the experiences of visiting foreign-owned service-oriented businesses. These components seem particularly applicable as an assessment of the exchange of ideas between private actors. On the other hand, the measures of personal contact do not appear as relevant for lesson-drawing. This is because international telephone calls and letters are generally exchanged between same parties (i.e. family members) where learning of new ideas is less likely to occur. Similarly, the link between international tourism and foreign population rates on the one hand and Bayesian learning on the other is weak at best because of infrequency and negligent idea exchange of such contacts. Unfortunately, no separate data is available for these three categories of social globalization, which is why I use all three of them. An additional drawback of this variable is that it does not measure the

³³ KOF Swiss Economic Institute, KOF Index of Globalization, Method of Calculation, available online at: http://globalization.kof.ethz.ch/media/filer_public/2015/03/04/method_2015.pdf; see also the Variables and Weights document, available online at: http://globalization.kof.ethz.ch/media/filer_public/2015/03/04/variables_2015.pdf

exchange of information among government officials, which is an important part of how the transnational communication mechanism is defined. Despite these deficiencies, the measure does appear appropriate to appraise the updating of information between private parties and as such relevant for operationalization purposes of the idea-exchange component of the globalization variable. In sum, the higher the level of social globalization in a given country, the lower the expectations of electoral turnout.

Control Variables

Numerous variables have been used to explain turnout. In this paper, I focus on those that have been found significant by the scholarly community. Among the variables related to the electoral system, I control for compulsory voting, legal voting age, voluntary registration and the number of years since the introduction of universal suffrage. Compulsory voting is expected to increase voter turnout.³⁴ Controlling for this variable is important since voting is mandatory in some countries in the sample and voluntary in others. As for legal voting age, since (as the contemporary literature shows) the propensity to vote increases with age, an expectation is that turnout is likely to be lower when the voting age is 18 instead of 21.³⁵ Thus, this variable is expected to be negatively correlated with the dependent variable. With respect to voluntary registration, this variable is predicted to contribute to reduced turnout.³⁶ Finally, according to the proponents of the socialization school of thought who argue that

³⁴ Jackman, 1987, referenced in Blais, 2006, p. 112-113; also see Franklin, 2004

³⁵ Blais, 2006, p. 115

³⁶ Powell, 1982, referenced in Blais, 2006, p. 113

voting is a matter of habit, the number of years since the introduction of universal suffrage is expected to increase turnout.³⁷

In addition, I also include a standard set of socio-economic factors, namely GDP per capita (log), population size (log) and public spending as a percentage of GDP. I obtain these variables from International IDEA, OECD, World Bank and ACE Electoral Knowledge Network.³⁸

³⁷ Steiner, 2010, p. 451

³⁸ Most of these variables were coded by Steiner and I use his dataset in my analysis.

Results

I now test my hypotheses using the data and method described above. My initial results show strong support for the composite index of globalization, as well as for every individual component of it. However, once I have accounted for the presence of multicollinearity among the three components, only the economic globalization variable proves robust. I re-confirm these results by running a factor analysis.

As Table 1 shows, the globalization index variable is found to have a negative effect on voter turnout, as theorized. The variable is statistically significant at the 99.9 percent level. Several of the controls clearly show the expected effect. As predicted, compulsory voting exhibits a strong positive effect on turnout rates. Turnout is lower in elections where registration is voluntary. In addition, turnout rises with the number of years since the introduction of universal suffrage which confirms political socialization arguments. There is also evidence for the idea that population size will affect turnout negatively, a notion supported by those scholars who argue that small political environments with tighter community relations are more conducive to higher turnout than larger places with greater (and presumably more heterogeneous) population.³⁹ Public spending, as expected, has a positive effect on turnout, confirming the reasoning that greater welfare spending (which implies increasing education levels and social capital) leads to higher turnout.⁴⁰ GDP per capita shows a negative effect on the dependent variable.⁴¹ Finally, legal voting age does not

³⁹ Oliver, 2000, p. 363

⁴⁰ Steiner, 2010, p. 450

⁴¹ The conventional literature is divided on the effects of this independent variable on voter turnout. On the one hand there are those who argue that lower income tends to depress turnout in the industrial countries and

rise to statistical significance. Overall, the model shows a good fit amounting to 71.1 percent of explained variance.

Table 1: Regression Results

	(1) Voter Turnout
Globalization Index	-0.383*** (0.075)
Compulsory Voting	11.344*** (1.302)
Legal Voting Age	-0.318 (0.728)
Voluntary Registration	-16.931*** (2.465)
Population (ln)	-1.724*** (0.421)
Public Spending/GDP	0.614*** (0.080)
Yrs. since Univ. Suffrage	0.152*** (0.030)
GDP Per Capita (ln)	-15.648*** (2.779)
5-Year Dummies/Constant	Yes (Not Reported)
<i>Adj. R</i> ²	0.711
F	39.545
Observations	236
Standard errors in parentheses	
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$	

increase it in the developing world (see Recliff, 1992, p. 446), and others who find that people in affluent areas participate less than people in heterogeneous, middle-income places (see Oliver, 2000, p. 362)

Models 2-4 in Table 2 confirm the theorized independent effects of the three components of the composite index of globalization. They are all found to be statistically significant and negatively correlated with the dependent variable. All models exhibit a good fit with respect to the amount of variance explained.

Table 2: Regression Results			
	(2)	(3)	(4)
	Voter Turnout	Voter Turnout	Voter Turnout
Economic Globalization	-0.285*** (0.055)		
Social Globalization		-0.206*** (0.060)	
Political Globalization			-0.120** (0.055)
Constant	259.077*** (28.359)	224.440*** (29.309)	236.424*** (29.475)
<i>Adj. R</i> ²	0.712	0.693	0.683
F	39.730	36.364	34.818
Observations	236	236	236
Standard errors in parentheses			
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$			

Due to the composite nature of my dependent variable, which always poses a risk of multicollinearity problems, I check for correlation between the three components.

Correlation Matrix

	Econ. Globalization	Soc. Globalization	Pol. Globalization
Econ. Globalization	1.00		
Soc. Globalization	0.66	1.00	
Pol. Globalization	0.17	0.43	1.00

The Pearson correlation is moderately high (0.66) between the social and economic types of globalization, moderate (0.43) between the political and social categories, and low (0.17) between political and economic classes of globalization. Overall, the results indicate some level of correlation that calls for further analysis. I thus obtain residuals as exogenous measures of the three types of globalization. I then use the residuals to re-estimate models 2-4, which results in the decrease of coefficients for all three types of globalization. Noticeably, the coefficients for the political and social components of globalization even fail to reach standard levels of statistical significance. Only the re-estimated economic globalization variable passes the significance test. It alone explains 71.5 percent of the variance. This leads me to believe that the results in Table 1 are primarily, if not entirely, driven by the effect of this variable.

Table 3: Regression Results/Residuals

	(5) Voter Turnout	(6) Voter Turnout	(7) Voter Turnout
Econ. Gl. Residuals	-0.169** (0.085)		
Social Gl. Residuals		0.077 (0.095)	
Pol. Gl. Residuals			0.094 (0.069)
Globalization Index	-0.372*** (0.075)	-0.373*** (0.076)	-0.393*** (0.075)
Compulsory Voting	11.532*** (1.297)	11.484*** (1.315)	11.243*** (1.302)
Legal Voting Age	-0.156 (0.728)	-0.158 (0.755)	-0.475 (0.736)
Voluntary Registration	-15.811*** (2.512)	-16.433*** (2.541)	-16.945*** (2.460)
Population (ln)	-2.358*** (0.525)	-1.785*** (0.428)	-2.105*** (0.505)
Public Spending/GDP	0.612*** (0.080)	0.631*** (0.083)	0.583*** (0.083)
Yrs. since Univ. Suffrage	0.135*** (0.031)	0.143*** (0.032)	0.155*** (0.030)
GDP Per Capita (ln)	-17.028*** (2.846)	-16.383*** (2.923)	-15.418*** (2.779)
5-Year Dummies/Constant	249.861*** (28.755)	240.283*** (28.558)	239.979*** (28.211)
<i>Adj. R</i> ²	0.715	0.711	0.712
F	37.824	37.058	37.332
Observations	236	236	236

Standard errors in parentheses

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

To check the robustness of these findings, I run a factor analysis and obtain very similar results, as shown in Table 4:

Table 4: Regression Results / Residuals Obtained via Factor Analysis

	(8)	(9)	(10)
	Voter Turnout	Voter Turnout	Voter Turnout
Econ. Gl. Residuals	-0.167** (0.085)		
Soc. Gl. Residuals		0.093 (0.097)	
Pol. Gl. Residuals			0.083 (0.068)
Factor (Globalization)	-4.827*** (0.965)	-4.842*** (0.978)	-5.051*** (0.970)
Constant	223.451*** (29.393)	214.818*** (29.251)	212.040*** (28.755)
<i>Adj. R</i> ²	0.715	0.711	0.712
F	37.836	37.151	37.283
Observations	236	236	236

Standard errors in parentheses

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Taken together, these findings indicate that only economic globalization has substantial and consistent negative overall effect on electoral turnout, while the effects of political and social forms are questionable at best.

Conclusion

The paper has examined the effects of globalization – defined as political/legal obligations, competitive pressures and transnational communication – on electoral turnout. The composite index of globalization has been operationalized as the KOF index of globalization and the individual forms as political, economic and social types of international influence. The OLS analysis shows that economic globalization exhibits a consistently significant effect on voter turnout, while the other two types of globalization have been shown to be largely inconsequential. This is an important finding that provides additional evidence that economic voting does matter. My paper uncovers more comprehensively the mechanism of how economic globalization decreases turnout by looking at international influences across a variety of issue areas, both economic and non-economic, and thus comparing their individual effects. Finally, my results fill up the theoretical gap in Steiner's reasoning by showing that economic factors indeed do take precedence over non-economic ones.

It is important to note that my results may have been partly affected by how political and social types of globalization have been measured. The potential drawbacks have been noted in the research design section under the independent variable subheading. Obtaining individual-level data about these two variables may be helpful. For example, political globalization can be measured by asking potential voters about how they think that globalization has affected their national government's regulatory capabilities. Similarly, social globalization can be assessed by inquiring directly about voters' perceptions of the effects of globalization on their lifestyles and patterns of consumption.

Looking ahead, it seems reasonable to focus on the impact of economic forces of globalization. If economic factors do take precedence over non-economic matters, as this paper and the conventional literature on the topic seem to indicate – then why do voters in globalized societies increase the salience on non-economic issues, as Hellwig argues, rather than ask for more, not less, policy provision in this very same area, as the proponents of the divergence school of thought would have it? Perhaps the answer may be in the convergence of party platforms under the influence of international obligations, in which case voting itself becomes somewhat irrelevant. The contradictory nature of these questions merits further investigation.

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